

FINALCO, INCORPORATED
6888 Elm Street
McLean, Virginia 22180

10752 9-229A081
RECORDATION NO. Filed 1425

AUG 17 1979 - 12 45 PM AUG 17 1979

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Constitution Avenue & Twelfth Street, N.W.
Washington, D.C. 20423

Washington, D.C.

Attention: Recordation Section

Gentlemen:

Enclosed please find a promissory note secured by a chattel mortgage entered into between Auto-Train Corporation, 1801 K Street, N.W., Washington, D.C. 20006 and Finalco Incorporated, 6888 Elm Street, McLean, Virginia 22101, dated as of August 15, 1979.

The security as described in the chattel mortgage is identified as follows:

Identification Numbers	Car Type	No. of Cars	Fair Market Value
AT-1	Office (Private Car)	1	\$200,000

Built in 1914 by Pullman Standard for the Santa Fe Railroad as Parlor-Observation Car #3217 bought and rebuilt in 1948 by Seaboard Coastline Railroad. Purchased by Auto-Train in 1972.

We would appreciate your recording these documents in accordance with the applicable provisions of the ~~District of Columbia Code~~,
Interstate Commerce Act.

Sincerely,

Eileen Mulligan

Eileen Mulligan
Assistant Manager

Enclosures

RECEIVED
FEE OF \$1.00

AUG 21 1979

Counterpart

Eileen Mulligan

Interstate Commerce Commission
Washington, D.C. 20423

8/17/79

OFFICE OF THE SECRETARY

Eileen Mulligan
Assistant Manager
Finalco Incorp.
6888 Elm Street
McLean, Virginia 22180

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/17/79 at 12:45pm, and assigned re-recording number(s). 10752

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-2
(7)

PROMISSORY NOTE AND CHATTEL MORTGAGE

BETWEEN

FINALCO, INCORPORATED AND AUTO-TRAIN CORPORATION

\$ 50,000.00

August 17, 19 79

Washington, D. C.

RECORDATION NO. 10752 Filed 1425

AUG 17 1979 - 12 45 PM
INTERSTATE COMMERCE COMMISSION

FOR VALUE RECEIVED, AUTO-TRAIN CORPORATION, a Florida corporation ("Maker") having its principal office at 1801 "K" Street, N.W., Washington, D. C. 20006, promises to pay to the order of Finalco, Incorporated ("Payee"), at the office of Payee at 6888 Elm Street, McLean, Virginia 22101, a sum of Fifty Thousand Dollars (50,000.00) together with interest at the rate of fourteen and three-fourths percent (14-3/4%), in lawful money of the United States. Principal and interest are to be paid in two monthly installments as follows:

\$25,000.00 on September 17, 1979; and

\$25,000.00 plus all accrued interest on October 17, 1979.

This Note is secured by certain railroad equipment as more fully described in Exhibit "A" to the Chattel Mortgage, dated August 17, 19 79, which is attached to this Note as Exhibit I.

The Maker waives presentment, demand, protest or notice of any kind otherwise required in connection with the payment of principal and interest on the Note.

AUTO-TRAIN CORPORATION

By Philip Craver
Title: Sr. VP.

Attest: Walter G. Schumacher

CORPORATE SEAL

STATE OF VIRGINIA)

) SS

COUNTY OF FAIRFAX)

Acknowledged and executed before me this 17th day of August 1979

CHattel Mortgage

THIS CHATTEL MORTGAGE, made and entered into as of this day, by and between AUTO-TRAIN CORPORATION (hereinafter called "Auto-Train"), a corporation organized under the laws of the State of Florida and having a principal office at 1801 K Street, N.W., Washington, D.C. 20006, and Finalco, Inc., a Delaware corporation, having its principal office at 6888 Elm Street, McLean, Virginia 22101.

WITNESSETH

WHEREAS, Finalco, Inc. and Auto-Train have entered into a letter agreement, dated August 8, 1979, which establishes the terms and conditions upon which Finalco, Inc. has agreed to extend to Auto-Train an advance of \$50,000; and

WHEREAS, the parties desire that there be secured by this instrument of chattel mortgage the obligations of Auto-Train.

NOW, THEREFORE, in consideration of the premises and for good and valuable consideration, receipt of which is hereby acknowledged, this chattel mortgage

WITNESSETH

1. Auto-Train hereby grants, sells, assigns, conveys, warrants, mortgages and confirms to Finalco, Inc., and gives and agrees that Finalco, Inc. shall have, a security interest under the Uniform Commercial Code of the District of Columbia in the equipment (hereinafter called the "Rolling Stock") more fully described in Exhibit A attached hereto, together with any and all additions, accessions and substitutions thereto

or therefore of every sort whatsoever, whether in the nature of equipment, attachments, improvements, accessories, repairs, or otherwise now or hereafter attached or added to or contained in said property and the term Rolling Stock whenever used herein shall mean said property with all said additions, accessories and substitutions.

2. Auto-Train warrants that it is or will be the owner of the Rolling Stock free and clear of any liens or encumbrances and will keep and maintain the same free and clear of all liens, encumbrances, charges and liens.

3. Auto-Train covenants and agrees that it will keep and maintain the Rolling Stock in good order and repair and working condition, and that it will have and maintain insurance at all times against hazards, with companies, in amounts and form acceptable to Finalco, Inc.

4. Auto-Train will pay promptly when due all taxes and assessments upon the Rolling Stock or for its use or operation.

5. (a) Auto-Train shall be in default under this agreement upon the happening of any of the following events or conditions: (i) default in the payment or performance of any of the Obligations or any covenant or liability contained or referred to herein; (ii) any warranty representation or statement furnished to Finalco, Inc. by or on behalf of Auto-Train proves to have been false in any material respect when made or furnished; (iii) loss, theft, substantial damage, destruction, abandonment, sale or encumbrance to or of the Rolling Stock, or the making of any levy, seizure or attachment

thereof or thereon; (iv) dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for benefit or creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Auto-Train or any guarantor or surety for Auto-Train.

(b) Upon such default and/or upon failure for 10 days to pay money, when due and payable, Finalco, Inc. at its option may declare all the Obligations to be matured and immediately due and payable, and shall have the remedies of a secured party under the Uniform Commercial Code of the District of Columbia, and of the state in which the Rolling Stock is located, including, without limitation thereof, the right to take possession of the Rolling Stock, and for that purpose Finalco, Inc. or its agents may, so far as Auto-Train can give authority therefor, enter upon the premises on which the Rolling Stock may be situated and remove the same therefrom. Finalco, Inc. may require Auto-Train to assemble the Rolling Stock and make the Rolling Stock available to Finalco, Inc. at a place to be designated by Finalco, Inc. which is reasonably convenient to both parties. Finalco, Inc. will give Auto-Train at least ten days prior written notice of the time and place of any public sale of the Rolling Stock or of the time after which any private sale or other intended disposition thereof is to be made or such other notice as may be required by applicable law. Expenses of retaking, holding, preparing for sale, and selling shall include Finalco, Inc.'s reasonable attorneys' fees and legal expenses. After application of the proceeds of sale to such expenses and to payment of the

Obligations, Auto-Train shall be liable to pay any remaining balance forthwith, and shall receive any surplus.

(c) At the time of any repossession hereunder Finalco, Inc. or its agents may take possession of any property constituting the Rolling Stock and hold same temporarily for Auto-Train without liability on the part of Finalco, Inc.

6. (a) This agreement and the security interest in the Rolling Stock and all additions, accessions and substitutions thereto shall terminate only when the Obligations have been paid in full.

(b) No waiver by Finalco, Inc. of any default shall operate as a waiver of any other default or of the same default on a future occasion. The failure of Finalco, Inc., upon knowledge of any default hereunder, to enforce the rights and remedies provided hereunder or by law shall not be construed as a waiver of such default or of any of such rights and remedies or of any provision hereof.

(c) All rights of Finalco, Inc. hereunder shall inure to the benefit of and may be exercised by it successors and assigns; and all obligations of Auto-Train hereunder shall bind the successors and assigns of Auto-Train. Upon assignment for value of this agreement and notice to Auto-Train of such assignment, the liability of Auto-Train hereunder to such assignee shall be immediate and absolute.

(d) No transfer, renewal, extension, modification, or assignment of this agreement or the Obligations, or loss, damage or destruction of the Rolling Stock, shall release

Auto-Train from the Obligations or affect the security interest granted herein.

Signed and delivered this Seventeenth day of August, 1979

FINALCO, INC.

ATTEST:

Eileen Kulligan

By [Signature]
Treasurer

AUTO-TRAIN CORPORATION

ATTEST:

Alvin G. Schwartz

[Signature]
S. V. P.

STATE OF VIRGINIA)
)SS
COUNTY OF FAIRFAX)

Acknowledged and executed before me this 17th day of August, 1979.

WITNESS my hand and official seal.

(NOTARIAL SEAL)



Barbara Ann Calderone
Barbara Ann Calderone, Notary Public
My Commission Expires: Sept. 6, 1980

EXHIBIT A

AUTO-TRAIN CORPORATION

Schedule of Rolling Stock Subject to a Security
Interest by Finalco, Inc.

<u>Identification Numbers</u>	<u>Car Type</u>	<u>No. of Cars</u>	<u>Fair Market Value</u>
AT-1	Office (Private Car)	1	\$200,000

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